

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2750**

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**Introduced by ~~Committee on Labor and Employment (Roger Hernández (Chair), Alejo, Chau, Gomez, and Holden)~~ Assembly Member Roger Hernández**

March 13, 2014

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An act to ~~amend Labor Code Section 2055, relating to car washes.~~  
*add Section 2066.5 to the Labor Code, relating to car washes.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2750, as amended, ~~Committee on Labor and Employment~~ Roger Hernández. Car washes.

*Existing law regulates the employment practices of car washes, including providing specific recordkeeping requirements that employers of car washers must implement with regard to car washer wages, hours, and working conditions, under the enforcement authority of the Division of Labor Standards and Enforcement. Existing law requires employers of car washers to register with the Labor Commissioner and pay a specified registration fee, or be subject to a specified civil fine. Existing law also requires employers of car washers to post a \$150,000 bond for the benefit of the state to compensate employees damaged by the employer's nonpayment of wages, except as specified. Existing law also provides that a successor to an employer that owed wages and penalties to the predecessor's employees is liable for those wages and penalties under specified circumstances.*

*This bill would require a car wash employer to provide written notice to a successor employer regarding the above provisions prior to the sale or other transfer of the business.*

~~Existing law regulates the employment practices of car washes and requires employers of car washers to register with the Labor Commissioner and pay a specified registration fee, or be subject to a specified civil fine. Existing law also requires employers of car washers to post a \$150,000 bond for the benefit of the state to compensate employees damaged by the employer's nonpayment of wages, except as specified.~~

~~This bill would make nonsubstantive changes to this provision.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. Section 2066.5 is added to the Labor Code, to~~  
2     ~~read:~~

3     ~~2066.5. An employer engaged in car washing and polishing~~  
4     ~~shall notify a successor with written notice of the provisions of~~  
5     ~~this part, including Section 2066, prior to the sale or other transfer~~  
6     ~~of the business.~~

7     ~~SECTION 1. Section 2055 of the Labor Code is amended to~~  
8     ~~read:~~

9     ~~2055. The commissioner shall not permit any employer to~~  
10    ~~register, nor may the commissioner permit any employer to renew~~  
11    ~~registration, until all of the following conditions are satisfied:~~

12    ~~(a) The employer has applied for registration to the~~  
13    ~~commissioner by presenting proof of compliance with the local~~  
14    ~~government's business licensing or regional regulatory~~  
15    ~~requirements.~~

16    ~~(b) The employer has obtained a surety bond issued by a surety~~  
17    ~~company admitted to do business in this state. The principal sum~~  
18    ~~of the bond shall be not less than one hundred fifty thousand dollars~~  
19    ~~(\$150,000). The employer shall file a copy of the bond with the~~  
20    ~~commissioner.~~

21    ~~(1) The bond required by this section shall be in favor of, and~~  
22    ~~payable to the people of the State of California and shall be for~~  
23    ~~the benefit of any employee damaged by his or her employer's~~  
24    ~~failure to pay wages, interest on wages, or fringe benefits, or~~  
25    ~~damaged by violation of Section 351 or 353.~~

26    ~~(2) Thirty days before the cancellation or termination of any~~  
27    ~~surety bond required by this section, the surety shall send written~~

1 notice to both the employer and the commissioner, identifying the  
2 bond and the date of the cancellation or termination.

3 ~~(3) An employer shall not conduct any business until the~~  
4 ~~employer obtains a new surety bond and files a copy of it with the~~  
5 ~~commissioner.~~

6 ~~(4) This subdivision shall not apply to an employer covered by~~  
7 ~~a valid collective bargaining agreement, if the agreement expressly~~  
8 ~~provides for all of the following:~~

9 ~~(A) Wages.~~

10 ~~(B) Hours of work.~~

11 ~~(C) Working conditions.~~

12 ~~(D) An expeditious process to resolve disputes concerning~~  
13 ~~nonpayment of wages.~~

14 ~~(e) The employer has documented that a current workers'~~  
15 ~~compensation insurance policy is in effect for the employees.~~

16 ~~(d) The employer has paid the fees established pursuant to~~  
17 ~~Section 2059.~~